

HB 1133 Flow Chart for Donations

Donor contacts Student Scholarship Organization (SSO) and expresses intent to make contribution.

SSO informs potential donor of requirements of code section. Main points:

- \$50 million maximum allocated each calendar year for the entire program.
- Credits allocated on a first come first served basis.
- Credit limits:
 1. Single individual or head of household--\$1,000 or actual amount donated, whichever is less.
 2. Married couple filing joint return--\$2,500 or actual amount donated, whichever is less.
 3. 75 percent of corporation's income tax liability or actual amount donated, whichever is less.
- Taxpayers must add back to Georgia taxable income that part of any federal charitable contribution deduction taken on a federal return for which a Georgia Qualified Education Expense Credit is allowed.
 - Example: Married couple filing joint return.
 - Taxpayers contribute \$4,000 to an SSO. All \$4,000 is deducted on their federal return.
 - Taxpayers applied for and were allowed a \$2,500 state tax credit which equals state tax savings of \$2,500.
 - Taxpayers must add back \$2,500 of the charitable contribution deduction on their Georgia return which means they are only able to deduct \$1,500 in charitable contributions on their state return.

Donor notifies Department of Revenue of the total amount he/she intends to donate to Student Scholarship Organization and requests pre-approval of the credit using [Form IT-QEE-TPI](#).

Within 30 days Department of Revenue pre-approves, denies, or reduces the requested amount based on availability of tax credits remaining against the aggregate total of \$50 million.

Donor must make the contribution to the SSO within 30 days of the date printed on DOR's approval notice. All donations must also be made to the SSO prior to the end of the calendar year in which the donation was pre-approved.

SSO provides a letter to the donor confirming the dollar amount of the donor's contribution using [Form IT-QEE-SSO1](#). The law requires the donor to file this letter with their tax return. Georgia's electronic filing of individual income tax returns is tied to the federal electronic filing system, which does not accept attached documents. **Therefore, electronic filing of a state individual income tax return will not be available for taxpayers claiming this state tax credit.**

Corporations and partnerships (including Limited Liability Companies filing for tax purposes as either partnerships or corporations) that claim the credit can still electronically file their return.

Please click [here](#) to go to the Department of Education's website. Included there is:

- Information regarding how an SSO becomes listed on the Department of Education's website.
- A list of SSO's.
- Other important information regarding the credit.

If you have questions regarding pre-approval of the credit contact Beverly Bennett at 404-417-2422.

If you have technical questions regarding the credit program contact Pamela Goshay at 404-417-2441.

NOTE: Scholarship money will be distributed by the Student Scholarship Organizations not by the Department of Revenue.

HB 1133 Planning Timeline

ANTICIPATED DATE	ACTIVITY	RESPONSIBLE AGENCY
Ongoing	Student Scholarship Organizations notify Department of Education of their intent to participate as SSO.	Student Scholarship Organizations (SSO)
Ongoing	Student Scholarship Organizations identified and posted on Department of Education website.	Department of Education
Ongoing	Qualified schools/programs for which scholarships can be granted are identified by.	Department of Education
Issued on June 19	Proposed Regulation distributed to public for comment. http://www.etax.dor.ga.gov/inctax/new_regulations.aspx	Department of Revenue
Issued on June 27	The following forms are now available for individuals/businesses to make contributions: <ul style="list-style-type: none"> • Pre-approval Request Form from donor to DOR. Form IT-QEE-TP1 • Confirmation letter from SSO to donor. Form IT-QEE-SSO1 	Department of Revenue
July 21	Deadline for public comments on proposed regulation. Hearing held that provides opportunity for public to comment in person or in writing regarding draft regulation.	Department of Revenue
Issued on December 18	Provide form for Student Scholarship Organizations to use for Jan. 12 reports. Form IT-QEE-SSO2	Department of Revenue
Dec. 31	Deadline for making donation to SSO.	Donors
Jan. 12, 2009	Student Scholarship Organizations report to DOR the following on Form IT-QEE-SSO2 : <ul style="list-style-type: none"> • Total number and dollar value of contributions and tax credits approved. • List of donors, including dollar value of each donation and dollar value of each approved tax credit. • Copy of last completed audit (Para (4) Code Section 20-2A-2) 	Student Scholarship Organizations
Jan. 30, 2009	DOR provides list of participating Student Scholarship Organizations to General Assembly.	Department of Revenue

NOTE: The dates shown above are for planning purposes only and could change.